Sustainable Human Resource Management in Peruvian companies
Nowadays, it is very important to reflect on the sustainability approach in Human Resource Management decisions when considering the future success of the company. The objective of this chapter is to focus on the role of HRM in supporting sustainable HRM systems in Peruvian companies. A three pillar model is used in this research: work-life balance, personal autonomy in professional development and employability of the workers (Zaugg, Thom and Blum 2001). The methodology of this research will consider the conduction of online questionnaires among HR managers of companies operating in Peru.

KEY WORDS: Sustainable development, Human Resource Management, work-life balance and managing talent.

INTRODUCTION

The United Nations World Commission on Environment and Development (known as the Brundtland Commission), has defined Sustainable development as “paths of progress which meet the needs and aspirations of the present generation without compromising the ability of future generations to meet their needs”. Long time ago, the business world showed great interest on corporate sustainability and corporate social responsibility and often translated sustainability as the ‘triple-bottom-line’ measuring success through “triple-p” performances: people, planet and profits (Elkington, 1997).

If people are thought of as human capital, the different aspects of people management will gain importance. Issues as corporate culture, workplace environment, safety, health, and diversity, among others, can be analyzed to determine if a company is engaged in a sustainable way of doing business (Van Marrewijk & Werre, 2003). Relatively little empirical research has been developed in Latin America to identify which mechanism of Human Resources management strategy is more associated with sustainability. The key decisions companies have to make, in terms of human resource strategy, is the level of competitive advantage in their human capital. It has been possible to analyze the practices among HR managers that operate in Peru regarding sustainable management of Human Resources. By examining their practices and notions, this paper intends to answer the question of how companies in Peru approach a sustainable HRM. The study was based on the specific approach established by Zaugg, Blum and Thom in 2001. According to Zaugg, Thom and Blum (2001), sustainability in the management of people is built on three pillars: work-life balance, personal autonomy in professional development and employability of the workers. This model was used to explore what was happening in eight European countries when the concept of sustainable HRM was in an early stage. Because of the stage of development we consider the concept has in Peru, we decided to adopt this model for the exploratory research. The paper has three parts. Part I is the literature review which is divided in six segments: the notion of sustainability, the importance of sustainability in HRM, the approach to select the Sustainability Human Resource Management Model that was used, the three pillars of Sustainable HRM: work-life balance, personal autonomy in professional development and employability of the workers, the Latin American perspective and the Peruvian context. Part II gives details about the empirical research, its methodology and results. Finally, part III presents conclusions and future research possibilities.
I. LITERATURE REVIEW

1.1 The notion of sustainability

The term sustainability comes from the verb “to sustain” (Cambridge, 1995) which means “to cause or allow something to continue for a period of time”. This verb has its origins in the latin term “sŭstĭnēre,” with the definition “to uphold or maintain” (Coromines, 1954). The most popular definition of sustainability can be traced to what the Brundtland Commission wrote in its 1987 report, Our Common Future: “sustainable development seeks to meet the needs and aspirations of the present without compromising the ability to meet those of the future” (WCED, 1987). This definition was created in the context of an environmental framework but it remains applicable for defining all types of sustainability.

John Elkington created the "triple bottom line" concept, where there are values, issues and processes that companies must address in order to minimize any harm resulting from their activities and to create economic, social and environmental value (Vanclay, 2004). This framework went beyond the traditional measures of profits, return on investment, and shareholder value to include environmental and social dimensions.

As it is unlikely that a conclusive definition of sustainability will exist, in this paper sustainability will be defined as a stable system with minimal impact that provides stakeholders an output this time and as along as it is demanded.

1.2 Importance of Sustainability in Human Resource Management- HRM

Sustainability issues have gained concern for business management and organization performance. The broad concept of sustainability requires that managers, policy makers and employees examine and review their definitions of organizational performance and the purpose of management practice (Kramar & Hariadi, 2010:2). Recently the relationship between sustainability and activities related to Human Resources has received more attention and has become important for decision making (Ehnert, 2006, 2009). Sustainability is typically connected to HRM through the traditional HR paradigm (Boudreau, 2003: 3).

As people are the important piece for growth in organizations, it also constitutes one of the three dimensions of sustainability because the triple bottom line is also referred as people, planet and profit.

Research shows that to successfully integrate the economic, environmental and social responsibilities of sustainability into every business process, effective employee engagement is necessary (Psilou, 2011). The challenge is to find the impulses that motivate employees to be more committed to a company, their supervisor and the team itself. Sustainability professionals need to ensure the engagement of employees when working to have a company act responsibly in all three sustainability dimensions: environmental, social and economic (Pojasek, 2010). Hence, the more 3-p (people, planet and profits) oriented an organization is, the more likely it will be to have engaged employees; and the more engaged that employees are, the more likely it is that the company will achieve its objectives and become more profitable as a consequence.
I.3 Approach selection for a sustainable human resources management model

According to Zaugg, Blum, & Thom (2001), a sustainable human resource management scheme is described as “those long-term oriented conceptual approaches and activities aimed at a socially responsible and economically appropriate recruitment and selection, development, deployment, and release of employees.” In their sustainable human resources management model the individual and the Company are regarded as equal partners (Moser & Saxer, 2002). At the heart of sustainable resource management are the creation, development and preservation of future-oriented skills that contribute to the increase in value of the firm, the employability of individual employees and take account of social values. It is necessary for a sustainable human resource management to be participatory flexible, value added-oriented, challenging, group-oriented and strategically competence-oriented.

In regard to sustainability in the management of people, Zaugg, Blum, & Thom (2001) present three basic pillars: the work-life balance, personal autonomy in professional development and employability of the workers. The authors consider that if these three pillars are taken as underlying objectives in a model of sustainable human resource management, they will improve self-knowledge and identity, develop talents and potential, and build human capital in an organization. They also found current employer preferences. Thus, having measures of sustainable resource management have three effects: long-term supply of companies with skilled and motivated people, a sustained competitive advantage and economic value added.

In order to find out if what is understood to be sustainable and socially responsible human resource management for European managers is similar to their approach, they performed an empirical survey of HR managers from about a thousand companies in various industries in eight different countries (Eberhardt, 2005). The study showed that companies are interested in issues of sustainable resource management and individual approaches are already implemented (increasing employability, personal responsibility, work-life balance). Sustainability considerations, however, have still a relatively small meaning because the HR management of European companies is strongly focused on economic objectives. They concluded that even though there seemed to be an interest for sustainability issues in HRM practice, the understanding of sustainability was very heterogeneous (Rompa, 2011:14).

Zaugg, Blum, & Thom’s model was considered as a suitable approach to base our research on due to its importance in this specific research field. Sustainable HRM is a concept that has not yet received much attention from scholars (Rompa, 2011:14). Zaugg, Blum, & Thom were one of the first who implemented the principle of sustainability in human resource management study on the basis of a European comparative study. Therefore, the present study intends to further research this complex topic, with the view of providing a comprehensive picture of companies operating in Peru by studying their view of a sustainable notion in HR management.
Thus, the conceptual model proposed by these authors, previously empirically revised in their European study, will be afterwards tested with a sample of companies operating in Peru. Although, Zaugg, Blum, & Thom’s questionnaire was developed by a team of Europeans and may reflect their culturally-informed interpretation of what is relevant and significant, there is a need for research to fill in existent gaps in the literature about sustainable HR management in developing countries.

I.4 Zaugg, Blum, & Thom’s The Three Pillars of Sustainable Human Resources Management

In this section, we go further with the three pillars in the management of employees: work-life balance, personal autonomy in professional development and employability of the workers, in accordance with the model developed by Thom, Zaugg, & Blum (2001).

Work-life balance

Work/life balance is defined as: “The growing recognition that individuals require a satisfactory balance between the demands of work and those of the rest of life” (Glynn et al. 2002:9). Glynn explains that there is a need to recognize that individuals require a satisfactory balance between work and personal life for a better performance. “The emphasis on work-life balance is shifting from being merely the concern of employees to a joint responsibility between employer and employee” (Glynn et al. 2002:9).

To manage work/life balance, Friedman and Greenhaus (2000) emphasize that workers need to build support networks at home and work, because studies demonstrate that an inadequate balance between work and family has negative consequences and affects both employee performance and home relationships.

Therefore, options to facilitate this balance are work/life programs to retain employees; but companies also have to find the best way to communicate them. If a company already offers work/life benefits, the next step may be to communicate employees this offer. “In addition, developing a human resources strategy that is clearly integrated with the company’s mission will demonstrate how committed the organization is to employees’ needs” (Lockwood, 2003:6). Furthermore, for work/life benefits, it is helpful to have a corporate culture that supports and accepts employees as individuals with priorities beyond the workplace (Lockwood, 2003).

Employees who experience high rates of stress due to work/life conflict and decreased perceptions of control over their work are less productive, show less commitment and satisfaction with their organizations and are more likely to leave the organization (Adams, 1996; Boles & Babin, 1996; Boles, Howard & Donofrio, 2001; Frye & Breaugh, 2004; Netemeyer et al, 1996 in Hudson, 2005). On the other hand, employees with low rates of work/life conflict have higher job satisfaction (French, 2005).
In conclusion, work/life programs have the potential to improve employee satisfaction, reduce turnover, and retain potential employees. Nowadays, organizations need to understand the vital importance of work/life balance and to develop programs that fit their employees’ needs. Therefore, when employers and employees perceive work/life balance as a priority and feel that there is a positive balance between family and work, employees tend to stay in the organization (Hudson, 2005).

**Personal autonomy in professional development**

Briscoe (2004) explains that employees enjoy high levels of personal autonomy. Eby (et al., 1999) found that autonomy was positively related to organizational commitment and reduce absenteeism. "Autonomy is important to workers since it provides them the freedom to perform their work independently" (Ahuja et al., 2006:6). Work autonomy has been defined as “the degree to which the job provides substantial freedom, independence and discretion in scheduling the work and in determining the procedures to be used in carrying it out” (Hackman & Oldham, 1975:162). Work autonomy influences employee perceptions of their authority to accomplish different demands (Xie & Johns, 1995).

Jackson* et al. (1986), as well as Pines *et al. (1981), have suggested that the outcome of lack of autonomy is work exhaustion, low satisfaction and reduced productivity. Research suggests autonomy influences individual perceptions of the workplace and affects employees’ behavior (Perrewe & Ganster, 1989).

Autonomy provides employees with the freedom and flexibility to manage their own tasks (Ahuja et al., 2006). Fried (et al., 1999) & Troyer (et al., 2000) explain that increased levels of autonomy will allow individuals greater flexibility in how they define their tasks because they will decide how to perform the work.

There are many approaches, of different factors that affect autonomy at work, for example:

a. Position in the organization. The lower one goes in the hierarchy of the organization, the greater the probability that behavior is controlled by the technology and organizational structure management (Argyris, 1965 in Barrados, 1970:19).

b. Type of supervision. Some supervisors encourage the exercise of autonomy among workers, while others do not. Studies determine that supervision seems to be a very important variable (Argyris, 1965 in Barrados, 1970:19).

Finally, Barrados (1970) explains that, in order to hold an autonomous position, employees need to have control over the work process and over the rhythm of the tasks assigned by managers. Moreover, employees should be free to try new ideas for performing the work.

**Employability of the workers**

Hillage and Pollard (1998) define employability as “Being capable of getting and keeping fulfilling work. More comprehensively, employability is the capability to move self-sufficiently within the labor market to realize potential through sustainable employment” (Hillage & Pollard, 1998:2). These authors also explain that workers employability depend on personal circum-
stances such as family responsibilities, work autonomy, and flexibility to manage balance between work and family and external factors.

Employability not only depends on fulfilling the requirements of a specific job, but also on how one person is more capable to develop a specific work and how he stands relative to others (Brown et al., 2002).

It is important to recognize that employability will vary according to the economic conditions and growth of organizations. Employability can also be defined as “the relative chances of finding and maintaining different kinds of employment according to the circumstances” (Brown et al., 2002: 111). In fact, the current changing career partners have resulted in a growing focus on employability as a basis for the career and employment success (Thite, 2001).

There is also a concept called the employability paradox. This paradox consider employees’ knowledge, skills and attributes like fixed assets, but unlike fixed assets, people can resign and move to a competing firm, can demand increased salaries and may not engage fully in contributing to firm goals, thus negating any investment made (Coff, 1997). Therefore, good human resource practices with retention goals should be pursued.

### 1.5 Sustainability and HRM: the Latin American perspective

First, it is important to describe the determinants of the diverse environments in which Latin-American and European companies operate. Vives (2008) states that Europe, as a mature economy, has intensive consumption. So, Europeans need to save, recycle, have little territory and are dependent on imported raw materials. In contrast, Latin America, as an emerging economy, has a vast territory and a consequent dispersion. With its natural resource wealth a need for conservation is not conceived. In Europe there are supranational policies at the European level and fairly well established courses of action in the fields of health, welfare, environment, and labor; even environmental guidelines and European employment guidelines. In Latin America there are many political changes but policies for social and environmental sustainability are weak and limited. In Europe there is a good infrastructure, which is not a limiting factor for businesses. Contrary to this, in Latin America the reduced quality and quantity of infrastructure limits their competitiveness and affects the delivery of social services, so there is a big concern to solve these problems. Stakeholders in Europe apply pressure on governments and companies to demonstrate and impose sustainability but in Latin America sustainability is not a priority, but the concern of just a few (Vives, 2008). In Europe, human resources are well trained and, while there has been significant progress in Latin American companies, they depend on a labor market that is sometimes insufficient in terms of training. Besides the environmental context, there is a specific cultural frame that urges to be specified in order to understand how Latin American organizations manage their human resources. The Hofstede model of cultural dimensions comprises four indexes: the power distance index (it measures the extent to which the less powerful members of organizations and institutions accept and expect that power is distributed unequally); individualism index (it is the one side versus its opposite, collectivism, that is the degree to which indi-
individuals are integrated into groups); long term orientation index and uncertainty avoidance index (indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations) (Hofstede, 2010). Based on two Hofstede’s cultural dimensions (power distance and individualism), Elvira and Davila (2005) present expressions and interpretations of work values in Latin America are summarized in Table 1.

<table>
<thead>
<tr>
<th>Table 1: Elvira and Davila hybrid Latin American management model</th>
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<tr>
<td><strong>Manifestations of respect for authority</strong></td>
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<tr>
<td><strong>Benevolent paternalism</strong></td>
</tr>
<tr>
<td><strong>Avoidance of public conflict and confrontation with supervisors</strong></td>
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<td><strong>Social distance</strong></td>
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<tr>
<td><strong>Egalitarian sense</strong></td>
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<tr>
<td><strong>Manifestations of social relationships</strong></td>
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<tr>
<td><strong>Personal contact</strong></td>
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<tr>
<td><strong>Social relationships</strong></td>
</tr>
<tr>
<td><strong>Popular traditions</strong></td>
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For instance, in Argentina, many of the advances in HRM were born due to the pioneering efforts of large companies that were adapted to the local situation. In 2003 the economy began to grow, creating a favorable context. After a period where the main axis of action brought in HRM has been to provide group and individual support, new training and development initiatives and social responsibility have been created. Labor legislation is also an issue because of the complex laws and reform efforts that each government encourages seeking to resolve the issue of employment (Figueiredo, 2007).

In Latin America, one of the main causes of gender inequality in the labor market is the persistence of a sexual division of labor that gives women greater responsibility for unpaid reproductive work and determines the amount of time that men and women spend working in the productive and reproductive spheres. This inequality is compounded by stereotypes, prejudices and myths about the ability of women to work and to balance work and family life. Nicaraguan and Costa Rican female executives reported traces of machismo at home in expectations and pressure from their husbands that were a barrier to their career (Osland, Hunter, & Snyder, 1994). However, the mass influx of women into the labor force and the gaps that exist with
regard to work-life balance and sharing of responsibility in the domestic sphere call for a new approach to employment policies (ECLAC, 2010).

Latin Americans’ preference for centralization and organizational hierarchy is a challenge, when work systems that rely on authority decentralization are implemented (Elvira & Davila, 2005). Paternalism can be defined as a form to control employees through the imagery of the family. This practice disguises paternalistic leaders --who are autocratic and adopt a clear leadership role, are reluctant to delegate decisions and to use work teams, supporters of vertical communication and relationship-oriented-- as benevolent, kind, and protector bosses. All of this is done under the assumption that everything is performed for the sake of the employees. The main scheme of paternalism is that employees receive esteem and social approval from employers who, in turn, are flexible, loyal and reliable (Pellegrini & Scandura, 2008). Considering that situation requires a level of autonomy and participatory egalitarian relationships, horizontal communication, delegation and trust, the paternalistic style prevailing in Latin America represents a huge challenge. This paternalism has its base in a collectivistic culture (Hofstede, 2001) in which strong senses of family ties and loyalty and obligations owed to family members are also evident in organizational life (Osland J. S., 1999).

I.6 The Peruvian context in HRM

The Population of Peru is around 29 million people and Lima, the capital, has approximately nine million inhabitants. According to the National Institute of Statistics- INEI (INEI 2009), 68.8% of the economically active population in Peru work for microenterprises, 9.1% for small enterprises and only 22% for medium and big enterprises. According to the Peruvian Ministry of Labor, 55% of the workforce in Lima works in the private sector. Workers are 44% women and 63.3% in this sector. Only 6.6% of the workforce works in the public sector and 29.3% prefer to work on their own.

Peruvian big companies are classified regarding their number of employees and the annual amount of sales. Medium and big companies usually have a well-defined area of Human Resources. While HR practices in medium sized companies are related to the short term, big companies are concerned for retaining talent and implementing practices that help them in this purpose. Peruvian companies are worried about aspects such as organizational climate and there is a tendency to participate in national rankings to measure if companies constitute good places to work for.

II. EMPIRICAL RESEARCH

2.1. Methodology
This study uses data collected as part of a survey, which structure was jointly developed by Zaugg, Blum and Thorn in 2001. The survey was administered to Human Resource managers of companies that operate in Peru (a total of 32 enterprises). The survey was conducted in April through June 2011. The questionnaire was originally developed in Spanish. The sample size was determined according to the central limit theorem. This theorem states that when samples are large (above about 30) the sample distribution will take the shape of a normal distribution (Field, 2009). A random sampling method was used to accomplish a sample size of 32 companies. 28% of the companies were from the service sector, 13% from the commerce and transport sector and the others from different sector (computing, health, financial sector, manufacture, mining and education). 72% of the companies have over 100 employees. Because of its financial and electronic accessibility, the survey was disseminated via the Internet using Google Form, a web-based survey development, data collection and support service. The questionnaire had a total of 19 questions (See Table 1 of the Appendix section for questionnaire structure). Using a Likert scale with identical response options of a standard five-point agree/disagree intensity scale, the respondents were given a statement and asked whether they strongly agreed, agreed, disagreed, strongly disagreed or were neutral about it.

At the beginning of the questionnaire, human resource managers were interviewed about concepts of human resource management. Then they were questioned about the use of instruments for sustainable human resource management: recruitment, deployment, development, internal marketing, retention, misemployment and leadership. The survey also focused on how Peruvian human resource managers view themselves in regards to sustainable human resource management.

### 2.2. Results

As mentioned before, there was a variety of participants across sectors, including, manufacturing, services, natural resources, and technologies. The heading “Service” captured a variety of sectors such as health, education, insurance, financial services, commerce, and transport. Of the 32 companies at least 63% have only 20% of female employees in top positions. This result reinforces the literature research. Generally speaking, employment opportunities for women and their labor force participation have improved but discrimination still exists in salaries and career opportunities (Elvira & Davila, 2005).

The Human Resources managers that answered the questionnaire think that a sustainable human resource management is related more with the following concepts: developing people, management and culture. Because of the lack of skilled workers, training is important in Peru not only for developing the employee in the organization, but also for building a bridge of trust between employees and management (Arbaiza & Sully, 2005). It is understandable that they link this concept with sustainable HRM. On the other hand, 41% of HR managers partly agree in that their company has a particularly innovative concept for Sustainable HRM. This shows the absence of convergence or even lack of knowledge on the sustainability concept.

Most HR managers in Peru agree in using the following process for recruitment: getting qualified people from competitors. The instrument least used is the assessment center for personnel selection. This is very common in Latin America. In Peru,
recruitment is predominately, or 70%, based on the requisite qualifications for the relevant position, whereas the remaining 30% is based upon background information including schooling, university experience, family, and friends. Social contacts through family and academic connections are important too (Arbaiza & Sully, 2005).

HR managers in Peru don’t give much importance to the transition between full time job and retirement. When asked about temporary assignments before retirement or priority to older workers, 47% and 38% don’t even have a consistent opinion about these topics. The answer to that attitude is that an average retirement time for a Latin American employee can’t be acknowledged. Labor force participation rates remain quite high for those aged 65 and over in certain regions of Latin America (Kelly, 2006). This also helps to explain why income from work is the second most important source of support for men aged 60 to 69 in the Latin American and Caribbean region (Pelaez, 2006). If retirement is a minority status for older groups, it is natural that HR managers don’t give time to organize practices to make retirement time less shocking.

Figure 1 shows different working-time schemes that can be applied in an organization in order to give employees a work life balance. In Peru, the survey shows that the use of annual work quota and job sharing are the practices that are used periodically. On the other side, 74% of the respondents never use long term accounts or lifetime work models. More than half of the respondents implement job sharing occasionally in their organizations. Unlike Europe, HR Peruvian managers still don’t give so much emphasis to practicing different work-time schemes as usual.

<table>
<thead>
<tr>
<th>Working-Time Scheme</th>
<th>Periodically</th>
<th>Occasionally</th>
<th>Never</th>
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<tbody>
<tr>
<td>Long-term accounts or lifetime work models</td>
<td>9%</td>
<td>19%</td>
<td>72%</td>
</tr>
<tr>
<td>Various forms of teleworking</td>
<td>6%</td>
<td>53%</td>
<td>41%</td>
</tr>
<tr>
<td>Extension of working life (employment may be continued)</td>
<td>16%</td>
<td>38%</td>
<td>47%</td>
</tr>
<tr>
<td>Shortening of working life (early retirement)</td>
<td>3%</td>
<td>42%</td>
<td>53%</td>
</tr>
<tr>
<td>Gradual retirement combined with the introduction of a...</td>
<td>13%</td>
<td>31%</td>
<td>56%</td>
</tr>
<tr>
<td>Annual work quota (fixed number of hours to be worked per year)</td>
<td>41%</td>
<td>34%</td>
<td>25%</td>
</tr>
<tr>
<td>Sabbaticals</td>
<td>22%</td>
<td>28%</td>
<td>50%</td>
</tr>
<tr>
<td>Job sharing (two or more persons sharing the tasks of one)</td>
<td>31%</td>
<td>59%</td>
<td>19%</td>
</tr>
<tr>
<td>Flexible work hours schedule</td>
<td>44%</td>
<td>44%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Own elaboration

The survey found that 26% of the interviewed HR managers think that employees should participate in most of the company decisions and that 44% of their companies encourage their employees to develop a sense of responsibility. This is one of the three pillars proposed by the Sustainable Human resource Model we are using.

A common retention process in Peru is to offer attractive non-material incentives such as bonuses and benefits. Half of the respondents agree that their incentive program is consistent with the objectives of the organization. However, the figures that
typify excellent HRM benefits in many developed countries may not be motivating enough to workers who are accustomed to providing sustenance to their families through multiple jobs (Arbaiza & Sully, 2005). Despite the fact that there is an increased difficulty in finding a local job where there is a motivation to work in the desired professions, almost half of all 38% respondents indicated that they have not implemented outplacement practices. Exit interviews have also been done in a 59% of the times. Responses indicate that HR managers periodically interview employees about their achievements at work. More than one half contend to have a participative management style. This style can be a make up for the paternalistic leadership style Latin America maintains, because this leadership is congruent with the values of collectivism.

Employability is a very important topic because Latin America experiences a constant threat of unemployment, low and unstable wages and reduced protection of workers by unions and other regulations (Elvira & Davila, 2005).

III. CONCLUSIONS

Peruvian Companies consider that a sustainable HR management involves developing people, managing HR issues strategically, innovating and considering employee welfare. Peruvian HR managers also consider that their companies support an innovative concept of sustainable HR management.
When considering a sustainable HRM, Peruvian companies consider working in attraction and in the image of the company (value proposition) and using tools as an Assessment Center that helps to find the right candidate for the job position.

Health in the workplace is also considered important and measures on this issue are applied systematically. On the contrary, a minority of the Peruvian HR managers recognize the potential of older employees. This is emphasized with the fact that the majority of the interviewed HR Peruvian managers do not establish particular functions for older employees. The experience of these employees is not being used as it should be.

Work-life balance is considered by the Peruvian HR managers, especially by offering flexible working hours and an annual work quota. Programs of gradual retirement and training young employees, that can be associated with older employees, are not used. In the majority of companies there are no programs for taking advantage of all the experience of older people.

Individual responsibility in employees is important for Peruvian HR managers. Employees need to participate in the most important company decisions.

Incentives, monetary and non-material are considered in the retention of employees. According to the majority of Peruvian HR managers the programs that involve different kind of incentives are attractive for employees.

Exit interviews are applied in the majority of the cases, which can be associated with the seriousness involved in developing a strategic HR management. If HR managers know the causes for leaving a company they can develop the right measures for retaining talent.

Peruvian HR management style is cooperative, looking for interaction with the employee. The objectives that are considered key for HR management in Peru are: self-realization, quality of life, compensation, employability and pleasure at work.

The factors that were mentioned through the analysis of results show that the three pillars are present in the managerial practices of Peruvian HR managers. However, it seems that the conception of a sustainable HRM needs further development.

Although there are similarities among Latin American countries it will be desirable to extend the research to other Latin American countries to compare if the results remain alike.

IV. REFERENCES


ECLAC. (2010). *The employment situation in Latin America and the Caribbean*.


### APPENDIX

#### Table 1: Questionnaire structure

<table>
<thead>
<tr>
<th>Information objective</th>
<th>Structure</th>
</tr>
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</table>
| **Company description** | 1. Number of employees.  
2. Manager position.  
3. Industry.  
4. Number of countries in which the organization operates.  
5. Employees working part-time.  
6. Women in top, medium and low positions. |
| **Concepts about sustainable human resource management** | 1. Categories are linked to Sustainable Human Resource Management.  
2. Managers that believe their company has a particularly innovative concept for sustainable human resource management. |
| **Recruitment process** | 1. Managers that believe their organizations use job requirement profiles to find ideal candidates for each position.  
2. Managers that believe their organization analyzes systematically key figures for the relevant labor markets (unemployment figures etc.).  
3. Managers that believe their organizations invest significant resources in instruments/initiatives intended to enhance the attractiveness of the company in the labor market.  
4. Managers that believe their companies are not afraid to get qualified people from the competitors.  
5. Managers that believe their companies attach great importance to assessment centers as a means of personnel selection. |
| **Deployment process** | 1. Managers that believe that at least one person in their organizations is responsible for promoting and preserving the health of employees at work.  
2. Frequency with which the organizations take health management measures in the workplace.  
*Health Management*  
*Older employees.* |
3. Managers that believe their organizations recognize older employees’ potential and give them priority.

4. Managers that believe their organization assign old employees in work projects or temporary assignments as a manner of consulting before retirement.

5. Managers that believe old employees work part-time before retirement.

6. Managers that believe older partners do coaching and mentoring to young people in their organization before retirement.

7. Frequency of use of different working-time schemes:
   a. Flexible work hours schedule.
   b. Job sharing (two or more persons sharing the tasks of one position).
   c. Sabbaticals.
   d. Annual work quota (fixed number of hours to be worked per annum).
   e. Gradual retirement combined with the introduction of a younger employee.
   f. Shortening of working life (early retirement).
   g. Extension of working life (employment may be continued after official retiring age).
   h. Various forms of teleworking.
   i. Long-term accounts or lifetime work models (surplus working time may be accumulated and used up over several periods of years).

<table>
<thead>
<tr>
<th>Development process</th>
<th>1. Managers that believe their organizations encourage employees to develop a sense of responsibility (e.g. by providing them with course budgets that they can administer themselves).</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>2. Managers that believe workers should participate in most of the company decisions.</td>
</tr>
<tr>
<td>Internal marketing process</td>
<td>1. Frequency of development of a value proposition for employees.</td>
</tr>
<tr>
<td></td>
<td>2. Frequency of implementation of cooperation projects with associations and educational institutions.</td>
</tr>
<tr>
<td>Retainment of staff</td>
<td>1. Managers that believe that the incentive program is consistent with the objectives of the organization.</td>
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<tr>
<td></td>
<td>2. Managers that believe that their organization offers its employees attractive non-material incentives such as bonuses and benefits.</td>
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<td>3. Managers that believe employees receive attractive intangible incentives in their organization.</td>
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<tr>
<td>Misemployment</td>
<td>1. Frequency of exit interviews.</td>
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<td>2. Frequency of outplacement practices.</td>
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<td>3. Managers that believe the organizations are concerned that professional assistance is received during the separation of employees.</td>
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<tr>
<td>Human resource management and leadership</td>
<td>1. Frequency of participative management style.</td>
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<td>2. Frequency of interviews to assess the achievements of the staff.</td>
</tr>
<tr>
<td>Objectives in HRM</td>
<td>Identify topics promoted in their HRM.</td>
</tr>
</tbody>
</table>